

ARMSTRONG TEASDALE LLP

*Attorneys at Law**Richard L. Waters*

*One Metropolitan Square, Suite 2600
St. Louis, Missouri 63102-2740
Phone: (314) 621-5070
Fax: (314) 621-5065
www.armstrongteasdale.com*

March 8, 1999

**VIA U.S. Mail and
Facsimile 913-551-7925**

Mr. Phillip S. Page
Assistant Regional Counsel
United States Environmental Protection Agency
Region VII
726 Minnesota Avenue
Kansas City, KS 66101

**Re: Willert Home Products, Inc.
RCRA Docket No. VII-98-H-0017**


R00162692
RCRA RECORDS CENTER

Dear Mr. Page:

Please find enclosed two Supplemental Environmental Projects ("SEP") offered by Willert Home Products to resolve RCRA Docket No. VII-98-H-0017.

The first deals with the Spent Charcoal "Change-Out" Procedures. This project involves extensive recycling and, therefore, would fall into the "Pollution Reduction" category of the EPA Supplemental Environmental Projects Policy (Effective May 1, 1998) (the "SEP Policy"). Of course, this SEP relates directly to the activity involved in the alleged RCRA violation.

The second SEP is a larger project involving the remediation of the old Bi-State bus terminal. This is a contaminated site in Willert Home Products' neighborhood, near its existing headquarters. The remediation project will touch several aspects of the SEP Policy including Public Health (demolition of old buildings and remediation of the property), Pollution Prevention (prevent asbestos and petroleum-contamination from entering the environment), Pollution Reduction (remediate and dispose of any identified releases from asbestos, underground storage tanks, contaminated soil, electrical transformers, drums and containers, liquids and sludge), and Assessments and Audits (audits will be performed as part of the work to remediate the Bi-state property).

Details about the time lines and costs for these two SEPs are included in the attachments.

ARMSTRONG TEASDALE LLP

Attorneys at Law

Mr. Phillip S. Page

March 8, 1999

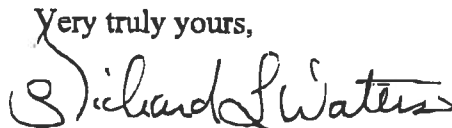
Page 2

Willert Home Products believes these two projects have significant environmental benefits and justify a reduction in the proposed penalty.

Further, Willert Home Products has searched diligently for writings to document its efforts to recycle the charcoal/para-dichlorobenzene mixture. However, as Brian Warner, Willert Home Products' Vice President - Finance, stated at our informal settlement conference on February 17, 1999, it is not Willert Home Products' practice to prepare such writings. Therefore, while we believe the representations made in the settlement conference in opposition to EPA's penalty calculation are meritorious, Willert Home Products is unable to supply the information you documentation you requested.

After you have an opportunity to review this information, please contact me to discuss, or please contact me if you need any additional information.

Very truly yours,



Richard L. Waters

RLW/pjw

Enclosures

cc: Ms. Susan M. Hantak

Mr. Brian Warner

Mr. Ron Carroll

WILLERT HOME PRODUCTS

March 8, 1999



Richard Waters
Armstrong Teasdale
One Metropolitan Square
Suite 2600
St. Louis, MO 63102-2740

Dear Richard:

Attached are the procedures Willert Home Products will put in place to handle future charcoal replacement/changes. Please note that the charcoal is being recycled.

Hopefully, this will provide the EPA with our new procedures.

Sincerely,

Brian M. Warner
Vice President - Finance

BMW/jcg

Enclosure

WILLERT HOME PRODUCTS**MARCH 03, 1999****(Envirotrol, Inc.)****SPENT CHARCOAL "CHANGE-OUT" PROCEDURES**

It will become necessary, at a point in time, when the granulated activated charcoal will need to be replaced inside the two (2) Filter tanks on the Para Department 3rd. floor. **This charcoal must be replaced at a minimum of every seven (7) years.** Listed below are the procedures that must be followed.

1. Charcoal will be steam cleaned for a period of not less than 120 hours. This steam cleaning will take place during the week. Only one (1) tank will be steamed at a time. (Note: it will take two (2) consecutive weeks to do both tanks.)
2. Three (3) grab samples will be taken from the air-filtration tank after it has cooled. One from the top, middle and bottom of vessel.
3. These grab samples will be sent to Bodycote Testing lab to have a TCLP analysis done on them. A 24 hour "turn around" analysis will be performed.
- 4a. If the testing results show a content of **less than 7.5 mg/L** of PDCB in the charcoal, the charcoal will be shipped to Envirotrol, Inc. as a non-hazardous waste for reactivation.
- 4b. If the testing results show a content of **more than 7.5 mg/L** of PDCB in the charcoal, additional steaming will be conducted until the charcoal is below the Regulatory limit.
- 4c. A hazardous waste "Asorbate Profile" will be set up with Envirotrol, Inc.
5. Charcoal will be vacuumed out of the air filtration vessel, via J & S Companies (Contractor) and placed into DOT approved 55 gallon metal drums, which will be supplied by Willert Home Products. Cost to remove the spent charcoal from Air Filtration vessels: \$1704.00 per vessel.
6. Charcoal will be classified as a non-regulated "special waste" when the PDCB content is less than 7.5 mg/L (Regulatory Limit.)
7. Filled 55 gallon drums of spent charcoal will be appropriately labeled.
 - A. Hazardous (depending on TCLP lab results.)
 - B. Non-Hazardous (depending on TCLP lab results.)

A: Round trip freight charges, to and from Envirotrol, Inc. have been estimated at \$1,422.00/per vessel.

B: Re-Activation of spent carbon costs: \$0.72/pound. (see attached).
(\$3,960.00/per Air Filtration vessel.)

8. Emptied charcoal air-filtration vessel(s) will be filled with new activated charcoal by a maintenance person. Each filtration vessel will hold approximately 5,500 Lbs. of charcoal (110- 50 lb. bags).
Labor cost to fill the air-filtration vessel...\$22.50/hr x 12/hrs. per vessel=\$270.00. (\$540.00 for both vessels.)

\$17962

TOTAL COST: \$
analysis is necessary.

plus additional cost if additional laboratory

WILLERT HOME PRODUCTS

March 8, 1999

Richard Waters
Armstrong Teasdale
One Metropolitan Square
Suite 2600
St. Louis, MO 63102-2740

Dear Richard:

As a 50 year resident of McRee town in the City of St. Louis, Willert Home Products is committed to improving the neighborhood in which it is located. Willert is working with the Missouri Botanical Garden to develop a community center just south of the main facility on Park Avenue.

When the opportunity became available, Willert decided to participate in a project to take down the old Bi-State bus terminal at 39th & Park Avenue.

Willert Home Products provides 100% of the financing for Park Avenue Realty, which owns 39th & Park L.L.C. 39th & Park L.L.C. will remediate and demolish the former Bi-State bus facility at 39th & Park Avenue in St. Louis, Missouri. Both Park Avenue Realty Company and 39th & Park L.L.C. are affiliated with Willert through common ownership.

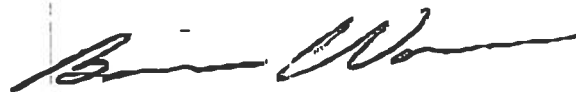
To date, Willert has spent about \$175,000 to remediate 2 1/2 of the buildings on the site of asbestos. We have demolished substantial portions of two buildings. Currently, we are buying out our partners to give us total control of the project. We anticipate that the total cost of remediation will be approximately \$455,170.

Also included is our estimated cost to demolish the property of about \$200,000. The remediation costs are described in the attached letter from Environmental Operations describing the cost to remediate the site.

The time line for completion of the project and a site plan are attached.

I will be happy to provide additional, more specific information if requested.

Very truly yours,



Brian M. Warner
Vice President - Finance

BMW/jcg

Enclosures

March 8, 1999

PROPOSED SCHEDULE EVENTS AT 39TH & PARK

April 1999

Demolition begins building C
UST work begins
Asbestos commences Medical Building

June

Asbestos complete Medical Building
Phase 2 Complete Parcel B

July

Asbestos begins Administration Building
Demolition begins Medical Building

August

UST work complete
Reimbursement filed for
Demolition begins Administration Building

September

* Decision on Building B to proceed with Asbestos
Soil remediation commences

October

Soil remediation continues

October

Asbestos starts on Building B
Soil remediation continues

November

Asbestos continues Building B

December

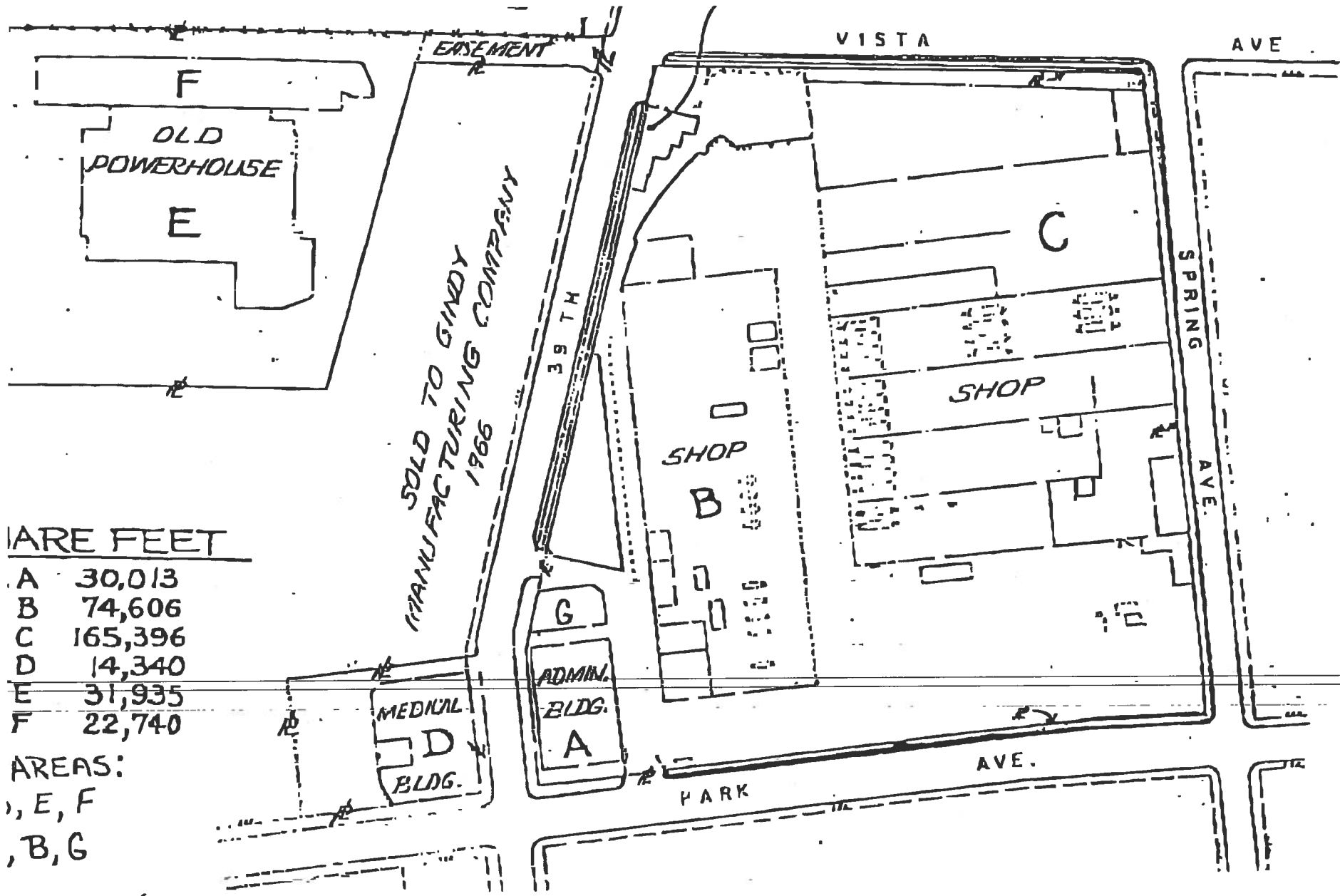
Asbestos complete Building B
Demolition begins

January

Demolition complete

February

* Decision on Powerhouse



SQUARE FEET

- A 30,013
- B 74,606
- C 165,396
- D 14,340
- E 31,935
- F 22,740

AREAS:
 D, E, F
 B, G

Car Crashes, #48
 Asbestos - 248
 Dirt work - 500,300 + E & F
 658

PARK AVENUE DIVISION

N.T.S.

ST Rm (???) 10,000 per site del.

WASTE MATERIALS DISPOSAL AGREEMENT

THIS WASTE MATERIALS DISPOSAL AGREEMENT, made and entered into this 6th day of April, 1998, by and between ENVIRONMENTAL OPERATIONS, INC., a Missouri corporation, with an address of 757 South Second Street, St. Louis, Missouri 63102-1617 (the "Company"), and 39th AND PARK, L.L.C., a Missouri limited liability company, with an address of c/o Park Avenue Realty Company, Attention: Brian M. Warner, 4044 Park Avenue, St. Louis, Missouri 63110 (the "Client").

WITNESSETH

WHEREAS, the Company is engaged in the business of providing asbestos abatement services, remediation/consulting services, hazardous waste management services and other related services; and

WHEREAS, the Client desires to engage the Company with respect to those asbestos abatement services, remediation/consulting services, hazardous waste management services and/or other related services, and the Company is desirous to be so engaged with respect to the real property described on Exhibit A hereto (the "Property").

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties have entered into this Agreement upon the following terms, covenants and conditions; to-wit:

1. WASTE MATERIALS

The term "Waste Materials" refers to those solid, liquid, semi-solid or contained gaseous materials which are described in, and which have physical, chemical, biological or radioactive constituents, characteristics and properties within the specifications stated in the Inventory Sheet attached hereto as Exhibit B and incorporated by reference herein. The term "Waste Materials" also includes those tanks, containers or packages, containing the material proper, which are to be disposed of by the Company.

2. SCOPE OF SERVICE, PAYMENT

The Company agrees to provide consultant and supervisory services, necessary to complete, in accordance with the terms, the removal, transportation, disposal, treatment and/or storage of the Waste Materials from the Property pursuant to the performance schedule, estimated completion dates and contract price as described in Exhibit C attached hereto and incorporated by reference, together with the Payment Schedule attached as Exhibit D, and incorporated by reference. Upon the completion of each phase of the Performance Schedule, the Company shall report

in writing to the Client indicating the work then completed. Payment is due within ten days thereof.

For any payment received by the Company more than ten days after the date of billing, the Client shall pay an additional charge of one and one half percent per month of the unpaid balance of the maximum percentage allowed by law, whichever is less. If payment to the Company is overdue by more than thirty days, the Company may, by ten days written notice to the Client, suspend further performance and withhold any and all data until such payment(s) is restored to a current basis. If default be made in any payment, the Client agrees to pay all costs of collection, including without limitation, reasonable attorneys fees, whether or not litigation is commenced. In the event of event of any breach hereof by Company, Client shall be untitled to recover its reasonable attorneys' fees in enforcing its rights hereunder.

3. REGULATORY COMPLIANCE

The Company's services shall be rendered a first-class, workmanlike manner and pursuant to and in strict compliance with current laws, whether decisional or statutory, of the United States of America governing the removal, transportation, disposal, treatment and/or storage of hazardous materials, as the case may be, including, but not limited to, the Resource Conservation and Recovery Act of 1976 (also known as the Solid Waste Disposal Act), as amended, the Toxic Substance Control Act, as amended, the Water Pollution Control Act, as amended, the Safe Drinking Water Act, the Clean Air Act, as amended, the Atomic Energy Act of 1954, the Hazardous Materials Transportation Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980, as may currently be amended, together with the administrative regulations promulgated thereunder in respect of the implementation thereof, and all current laws, whether decisional or statutory, of the several states, including current local ordinances of the political subdivisions thereof, wheresoever applicable, governing the removal, transportation, disposal, treatment and/or storage of hazardous materials, as may currently be amended, together with the administrative regulations thereunder in respect of the implementation thereof.

4. OWNERSHIP AND MAINTENANCE OF DOCUMENTS

Unless otherwise specified and provided that there is no outstanding default hereunder by Client, the Client shall have the right to use the documents, maps, photographs, drawings, specifications, and samples resulting from the Company's efforts on the project, for purposes reasonably contemplated by the parties. The Company shall have the right, but shall not be obligated, to retain copies of all such materials, including portions of samples, and shall have the right to use the same for any purpose, unless such use would cause harm to the Client. The Company retains the right of ownership with respect to any

patentable concepts or copyrightable concepts arising from its services.

5. INSURANCE

The Company shall carry and maintain, during the term of this Agreement, Worker's Compensation, employer liability, comprehensive public liability in amounts of no less than \$1,000,000 aggregate for personal injury or death and \$500,000 for property damage, and any and all other insurance(s) required by law. Upon request, the Company shall furnish to the Client satisfactory evidence of such insurance. Said insurance shall not be cancelled or materially altered until at least thirty (30) days after written notice is received by the Client.

6. WARRANTY, LIMITATION OR LIABILITY

The Company warrants to the Client that its services shall be performed within the limits prescribed by the Client, in a manner consistent with that level of care and skill ordinarily exercised by other professionals in the same field under similar circumstances and conditions at the same time and in the same locality. No other representations to Client, express or implied, and no warranty or guarantee is included or intended in this Agreement, or in any report, opinion, document or otherwise. In no event shall the Company be liable for consequential damages, including, without limitation, loss of use or loss of profits, incurred by the Client or its subsidiaries or successors, regardless of whether such claim is based upon alleged breach of contract, willful misconduct, or negligent act or omission, whether professional or nonprofessional, of the Company or its employees, agents or subcontractors.

7. INDEMNIFICATION

The Client agrees to indemnify and save harmless the Company, its present and future officers, directors, employees and agents, from and against any and all liabilities, penalties, fines, forfeitures, demands, claims, causes of action, suits, and costs and expenses incidental thereto (including cost of defense, settlement, and reasonable attorney fees), which any or all the may hereafter suffer, incur, be responsible for or pay out as a result of bodily injuries (including death) to any person, damage (including loss of use) to any property (public or private), contamination of or adverse effects on the environment, or any violation or alleged violation of statutes, ordinances, orders, rules or regulations of any governmental entity or agency, directly or indirectly caused by or arising out of the breach of any warranties by the Client, or any negligent or willful act or omission of the Client, its employees or agents in the performance of this Agreement.

The Company agrees to indemnify and save harmless the Client, its present and future members, officers, directors,

employees and agents, from and against any and all liabilities, penalties, fines, forfeitures, demands, claims, causes of action, suits and costs and expenses incidental thereto (including cost of defense, settlement, and reasonable attorneys' fees), which any or all of them may hereafter suffer, incur, be responsible for or pay out as a result of bodily injuries (including death) to any person, damage (including loss of use) to any property (public or private), contamination of or adverse effects on the environment, or any violation or alleged violation of statutes, ordinances, orders, rules or regulations of any governmental entity or agency, directly or indirectly caused by, or arising out of the breach of any warranties by the Company, or any negligent or willful act of the Company, its employees or agents in the performance of this Agreement, or the presence upon the Property of the Waste Materials.

8. RIGHT OF ENTRY

The Client grants to the Company and warrants (if the work location is not owned by the Client) that permission has been granted for right of entry from time to time, to the Company, its employees, agents and subcontractors, upon the project site for the purpose of providing services pursuant to this Agreement.

9. INDEPENDENT CONTRACTOR STATUS AND SUBCONTRACTORS

The Company shall be an independent contractor and shall have responsibility for and control over the details and means for providing the services under this Agreement. Neither party, nor anyone employed by it, shall be representative, employee or servant of the other party. The Company may use subcontractors to perform any of the services contemplated by this Agreement.

10. TERMINATION

Subject to paragraph 11 below, Client may terminate this Agreement, at its option, by sending a Notice of Termination to the Company. The Notice of Termination shall specify when and which work will be discontinued and will be effective ten days from receipt of the Notice of Termination.

No later than ten days after termination, the Client shall pay the Company upon invoice for services performed and charges prior to termination, plus termination charges pursuant to paragraph 11. Termination charges shall include, without limitation, the placement of project documents and analyses in order, personnel and equipment rescheduling or reassignment adjustments, and all other related costs and charges incurred or directly attributable to termination.

In addition to any other rights or remedies provided by law, either party may terminate this Agreement for cause if the other commits a material, incurred breach of this Agreement, subject to the provisions of paragraph 11 below. Termination shall be

effective ten days after receipt of a Notice of Termination. The Notice of Termination shall contain specific reasons for termination and both parties shall cooperate in good faith to cure the causes for termination stated in the notice. Termination shall not be effective if the breach has been remedied before expiration of the period specified in the Notice of Termination. In the event of termination for cause, the Company shall be paid the same as in the case of termination for convenience and the parties shall have their remedies at law as to any other rights and obligations between them, subject to the other terms and conditions of this Agreement.

The Client and the Company recognize that professional standards and ethics govern the Company's services under this Agreement. If circumstances arise which, in the Company's opinion, preclude it for professional or ethical reasons from continuing performance, the Company shall advise the Client of the fact. The parties shall immediately attempt to arrive at a mutually satisfactory solution. If this cannot be done to the satisfaction of both parties, either may terminate. If so, the Client shall compensate the Company in accordance with the provisions of this Section.

11. PAYMENT TERMS

The Company will be paid in advance for billings projected for a thirty (30) day period. Site activities will be initiated within one week upon receipt of the payment. Invoices, based on updated projections and adjustments from prior work completed and funds received, will be submitted on a monthly basis.

If Client chooses to have another environmental firm conduct site related activities, all work will be conducted under Company's direction and oversight. Oversight activities will be billed to Client according to the attached billing schedules. If remedial work conducted to date has a retail value of less than \$400,000, a buy out of the option agreement will be completed according to the following schedule:

For every \$100,000 of work out of the anticipated \$400,000 that is not performed by Company, except if such non-performance arises out of a breach hereof by Company, Company will receive \$30,000 in cash. This payment will be prorated if \$400,000 of billings is not generated by Company by the fraction of the difference between the amount actually spent and \$400,000 over the 24-month period.

12. FORCE MAJEURE

If the Company is unable to perform or complete the services hereunder described owing to Acts of God or circumstances beyond its control, payment for services theretofore rendered are payable up to and including the date they are unable to be completed as a result thereof, provided that the provision of

applicable law shall not be deemed "circumstances beyond the control" of Company.

13. CONFIDENTIALITY

The Company and the Client shall treat as confidential property and not disclose to others during or subsequent to the term of this Agreement, except as is necessary to perform this Agreement (and then only on a confidential basis satisfactory to both parties), any information (including any technical information, experience or data) regarding the other parties, plans, programs, plants, processes, products, costs, equipment, operations or customers which may come within the knowledge of the parties, their officers or their employees in the performance of this Agreement, without in each instance securing the prior written consent of the other party. Both parties shall also treat as confidential and shall not disclose to others, except as required by law, information relating to the chemical composition and quantity of the Waste Materials. Neither party shall release or cause to allow the release of, information to the communications media, except as required by law, concerning the existence and terms of this Agreement, including identification or the general description, characteristics or constituents of the Waste Materials, without in each instance securing the prior written consent of the other party.

14. SEVERABILITY

Any provisions of this Agreement held in violation of any law or ordinance shall be deemed stricken, and all the remaining provisions shall continue valid and binding upon the parties. The Company and Client shall in good faith, attempt to replace any invalid or unenforceable provisions of this Agreement with provisions that are valid and enforceable and come as close as possible to expressing the intention of the original provisions.

15. CHANGE IN LAW

The Client shall pay for any reasonable additional charges from the Company for services or modifications or additions to facilities or equipment required on the part of the Company to comply with laws or regulations which become effective after the date of this Agreement.

16. ASSIGNMENTS

Except as elsewhere provided, Company may not assign its duties and obligations hereunder without the prior written consent of Client. Client may assign its duties and obligations hereunder without the consent of Company.

17. GOVERNING LAW

Unless otherwise provided, the laws of the State of Missouri will govern the validity of this Agreement, its interpretation and performance, and remedies for contract breach or any other claim related to this Agreement.

18. NO THIRD PARTY RIGHTS OR BENEFITS

This Agreement shall not create any right or benefits to parties other than the Client and the Company.

19. INTEGRATED WRITING

This Agreement constitutes a final and complete repository of the agreement between the Company and the Client relating to the services provided. It supersedes all prior contemporaneous communications, representations or agreements, whether oral or written, relating to the subject matter of this Agreement. Modifications of this Agreement shall not be binding unless made in writing and then signed by an authorized representative of each party.

20. NOTICE

All notices hereunder shall be in writing and provided by certified mail, telefax or a recognized courier or overnight delivery, to the addresses first above listed.

IN WITNESS WHEREOF, the parties, by due corporate and other proceedings, where applicable, have caused this Agreement to be executed the day and year first above written.

ENVIRONMENTAL OPERATIONS, INC.

By: Nelson C. [Signature]
Title: President

39TH AND PARK, L.L.C.

By: Brian H. [Signature]
Title: Vice President

Guaranty

In consideration of the execution of the foregoing Agreement by Company and as a material inducement to Company to execute said Agreement, Park Avenue Realty Company, a Missouri corporation ("Guarantor"), hereby unconditionally and irrevocably guarantees the prompt payment by Client of all payments due under paragraph 2 hereof.

Guarantor shall be given written notice of default by Company, which notice shall be sent by certified mail, return receipt requested, or by telefax to Park Avenue Realty Company, 4044 Park Avenue, St. Louis, Missouri 63110, telefax no. 314-772-3506 Attention: Brian M. Warner. Guarantor shall be afforded a grace period to cure a default by Lessee equal to the grace period granted to Client under the Agreement.

PARK AVENUE REALTY COMPANY

By: Brian M. Warner

Title: Vice President

EXHIBIT "A"

LEGAL DESCRIPTION OF THE PROPERTY

1. A parcel of property, consisting of all of City Block 4958 of the City of St. Louis consisting of Lots 1 to 11 inclusive, in the Dundee Place Addition to the City of St. Louis, a former alley (vacated by ordinance 29558) adjoining said lots on the north, an undivided tract of land in the said Dundee Place Addition, and parts of Blocks 22 and 23 of the DeWard's Survey of St. Louis Commons, being more particularly described as commencing at the northeast corner 39th St. (60' wide) and Park Avenue (60' wide), thence in an eastwardly direction along the northern line of said Park Avenue 522'2-1/8" more or less to a point in the said northern line of Park Avenue where it makes a slight angle, thence continuing 176'7-1/4" more or less to the intersection of said northern line of Park Avenue with the western line of Spring Avenue (50' wide), thence northwardly along the said western line of Spring Avenue 659'2-7/8" more or less to its intersection with the southern line of Vista Avenue, thence westwardly along the said southern line of Vista Avenue 507'8" more or less to its intersection with the eastern line of 39th Street (60' wide), thence southwardly along said eastern line of 39th St. 617'4-3/4" more or less to a point in said eastern line of 39th St. where it forms an angle with its previous direction, thence continuing along said eastern line of 39th St. 138'0-3/8" more or less to the point of beginning.
2. A parcel of property in City Block 4959 of the City of St. Louis, more particularly described as commencing at the northwest corner of 39th St. (60' wide) and Park Avenue (60' wide), thence in a westwardly direction along the northern line of said Park Avenue, a distance of 287'6" to a point, thence northwardly at a 90° angle to the aforesaid northern line of Park Avenue, and along a line which is in part the western line of lot 18 of "Dundee Place" in said City Block 4959 of the City of St. Louis, a distance of 143'0" to a point, thence continuing northwardly along a line which veers slightly right of the aforesaid line at an angle of 8° 13' from the northward prolongation of the aforesaid western line of lot 18, a distance of 312' 3-5/8" to a point, thence westwardly at a 90° angle to the aforesaid line, a distance of 259' 10-3/8" to a point, thence northwardly at an 88° angle a distance of 370'0-1/4" to a point, the said point being the center line of what was formerly Vista Avenue (60' wide), vacated by ordinance 34017,

thence eastwardly along the said former center line of Vista Avenue, 648' more or less to its intersection with the western line of 39th St., thence southwardly along the said western line of 39th St. a distance of 646'4" more or less to a point in said western line of 39th St., where it forms an angle to its previous direction, thence continuing southwardly along the aforesaid western line of 39th St. a distance of 147' 11-5/8" more or less to the point of beginning.

3. A parcel of property in City Block 4960 of the City of St. Louis, consisting of the northern 64' 7-1/2" of Lot 15, the northern 64' 7-1/2" of the eastern 25' of lot 16, the entire western 25' of said lot 16, and all of lots 17, 18 and 19 of Dundee Place, in City Block 4960, more particularly described as commencing at the southwest corner of 39th St. (60' wide) and Park Avenue (60' wide), thence in a southerly direction along the western line of said 39th St. a distance of 64' 7-1/2" to a point, thence westwardly parallel to the southern line of Park Avenue, a distance of 87'6" more or less to the (north-south) center line of Lot 16, thence southwardly along said center line of Lot 16, to its intersection with the southern line of Lots 15-19 incl. thence westwardly along said southern line of Lots 15-19 incl. to its intersection with the western line of Lot 19, thence northwardly along said western line of Lot 19 a distance of 128'2" more or less to its intersection with the southern line of Park Avenue, thence eastwardly along said southern line of Park Avenue a distance of 262'6" more or less to the point of beginning.

Medical Building

A parcel of property in City Block 4959 of the City of St. Louis, Missouri, more particularly described as being the eastern part of City Block 4959, Lots 22 through 28, inclusive of Dundee Place and having .583 acres.

Powerhouse

A 3.74 acre parcel of property in City Block 4959 of the City of St. Louis, more particularly described as commencing at the Northwest corner of 39th Street (60 feet wide) and Park Avenue (60 feet wide), thence in a Westwardly direction along the Northern line of said Park Avenue, a distance of 287 feet 6 inches to a point, then Northwardly at a 90 degree angle to the aforesaid Northern line of Park Avenue, and along a line which is in part the Western line of Lot 18 of "Dundee Place" in said City Block 4959 of the City of St. Louis, a distance of 143 feet 0 inches to a point, thence continuing Northwardly along a line which veers slightly right of the aforesaid line at an angle of 8 degrees 13

minutes from the Northward prolongation of the aforesaid Western line of Lot 18, a distance of 312 feet 3-5/8 inches to a point, thence Westwardly at a 90 degrees angle to the aforesaid line, a distance of 259 feet 10-3/8 inches to a point, thence Northwardly at 88 degrees angle at a distance of 370 feet 0/1/4 inches to point, the said point being the center line of what was formerly Vista Avenue (60 feet wide) vacated by Ordinance 34017, thence Eastwardly along said former Avenue, 648 feet more or less to its intersection with the Western line of 39th Street, where it forms an angle to its previous distance of 147 feet 11-5/8 inches, more or less to the point of beginning. EXCEPTING THEREFROM that property conveyed to Gindy Manufacturing Corporation (sic) by instrument recorded in Book 8694 page 360 of the St. Louis City Record, and further excepting that property known as Lots 18 through 28 of "Dundee Place", a Subdivision in City Block 4959 of the St. Louis City Records.

EXHIBIT 'B'

**INVENTORY AND LOCATION OF
WASTE MATERIALS AND RELATED
SUBSTANCES TO BE REMOVED
TRANSPORTED, DISPOSED AND/OR TREATED**

Asbestos Abatement

Building A:

- 2,687 linear feet (l.f.) thermal system insulation (TSI)
- 293 TSI elbows
- 3,023 square feet (s.f.) floor tile
- miscellaneous asbestos debris

Building B:

- 518 l.f. TSI
- 15 TSI elbows
- 20 s.f. boiler wrap
- 3,702 s.f. floor tile
- miscellaneous asbestos debris

Building C:

- 4,778 l.f. TSI
- 536 TSI elbows
- 600 s.f. HVAC wrap
- 2,825 s.f. floor tile
- miscellaneous asbestos debris (i.e. piles)

Building D:

- 342 l.f. TSI
- 53 TSI elbows
- 1,356 s.f. floor tile
- miscellaneous asbestos debris

Building E:

- 1,240 l.f. TSI
- 52 TSI Elbows
- 100 s.f. transite
- miscellaneous asbestos debris

Building F:

- 1,449 l.f. TSI
- 52 TSI elbows
- 2,587 s.f. transite
- 226 s.f. asbestos insulation
- miscellaneous asbestos debris

Underground Storage Tank Removal

Parcel A - South Portion:

- 1 - 580 gallon waste oil
- 2 - 580 gallon waste oil
- 1 - 1,000 gallon mineral spirits
- 2 - 1,000 gallon gasoline
- 1 - 2,000 gallon gasoline

Parcel A - North Portion:

- 1 - 12,000 gallon heating oil
- 1 - 15,000 gallon heating oil

Soil Remediation*

- Southern Tank Farms - Approximately 118 cubic yards
- North Side of Property (along Vista) - Approximately 100 cubic yards
- Northwest Portion of Property - 978 cubic yards
- Area where vehicles were salvaged and dismantle - 1,482 cubic yards

Hazardous Waste

Electrical Transformers*

- Seven Pole Mounted Units
- One Carcass on ground
- Carcass Name Plate; Allis-Chalmers, KVA 150/168, 79 Gallons Oil, 2,210 lbs fill

Drums and Miscellaneous Containers:

- 70 X 55 gallon metal drums - Empty
- 10 X 15 and 5 gallon metal and Poly containers - Empty
- 12 X 55 gallon metal drums - Unknown Content
- 1 X 55 gallon metal drum - Roofing Tar
- 1 X 55 gallon metal drum - 6" Oil
- 2 X 55 gallon Fiber drums- Caustic Solid - needs repacking and material on floor containerized
- 6 X 55 gallon metal drum - Vee Jay Concrete Resin
- Part A - Un-shippable drums located in Bus Maintenance Pit
- 320 X 20 lbs Bags - Conspec Concrete - Labeled Organic Peroxide
- 23 X 1/3 cubic yard bags - Drill Tailing Soils
- 7 X 55 gallon metal drums - Decon Water from Drilling

Sumps and Pits:

- Oil House Sump - 4' X 2' - 6" of liquid with gravel
- Bus Maintenance Pits - 6 pits 45' X 5' - Remove and segregate debris as above and clean floor of pits

- Parts Washer- 4' X 7' X 5' - 10 gallons oil and 30 gallons sludge
- Parts Washer Pit #1 - 6' X 6' X 4' - Full liquid material
- Parts Washer Pit #2 - 6' X 6' - 3" of solids
- Parts Washer Pit #3 - 23' X 5' - 6" of solids
- Dip Tank - 4' X 4' - 6" solids
- Battery Reconditioning Station - 3' X 3' - 12" solids and debris

* Please Note: A portion of this work will be conducted by W. C. Lamm, Inc. and/or Todd Garrett.

EXHIBIT "C"

PERFORMANCE AND ESTIMATED COMPLETION SCHEDULE

Environmental Operations, Inc. will remove and dispose of the following asbestos containing materials in Buildings C, D, A, F, E and B.

Environmental Operations, Inc. is submitting an estimated billing by month. The amount of the billing each month (22 working days) will be depending on the crew size. Therefore, Environmental Operations, Inc. is presenting two options.

Option A:

- One Project Manager
- One Project Superintendent
- Four Technicians
- Equipment and Materials

The estimated monthly billing for this option is \$55,000 - \$62,000.

Option B:

- One Project Manager
- One Project Superintendent
- Six Technicians
- Equipment and Materials

The estimated monthly billing for this option is \$64,000 - \$72,000.

Schedule

The anticipated project duration for asbestos abatement is as follows:

Option A:

- | | |
|--------------|--------------------|
| • Building C | 52-57 working days |
| • Building D | 5-7 working days |
| • Building A | 24-47 working days |
| • Building F | 14-18 working days |
| • Building E | 8-10 working days |
| • Building B | 6-8 working days |

Option B:

- | | |
|--------------|--------------------|
| • Building C | 44-48 working days |
| • Building D | 4-5 working days |

- Building A 17-20 working days
- Building F 11-14 working days
- Building E 5-8 working days
- Building B 5-6 working days

The costs for asbestos abatement activities at this location will not exceed \$304,000.00

REMEDIATION/CONSULTING SERVICES:

Remediation services to be conducted at the site involves water remediation associated with the USTs, possible additional site investigation, probable long-term groundwater monitoring, and oversight of all aspects of site remediation. Soil remediation, which specifically includes the excavation, transportation, and disposal of contaminated soil will be conducted by others.

Related project work, which Environmental Operations, Inc. will coordinate, includes applications for UST reimbursement through the MDNR PSTIF and the Voluntary Cleanup Program. The specific work to be conducted at the Bi-State site is:

1. Phase I and II Activities (Powerhouse) - Environmental Operations, Inc. will conduct a Phase I assessment of the property. At the completion of the Phase I activities, Environmental Operations, Inc. will conduct Phase II investigations as needed.
Cost Estimate: \$25,000.
2. Water treatment/disposal associated with the USTs - Due to the shallow water table it is anticipated that excavation water will need to be treated prior to pumping.
Cost Estimate: \$13,270.
3. Anticipated additional site investigation required by MDNR - It is probable that additional characterization work will be required by the MDNR prior to approval of the remediation plan.
Cost Estimate: \$30,000.
4. Yearly groundwater monitoring - It is anticipated that the MDNR will require sampling and analysis for the monitoring wells for at least one year on a quarterly basis.
Cost Estimate: \$12,400/year.
5. Remediation Oversight - Environmental Operations, Inc. will provide oversight for all aspects of tank closure and soil and water remediation.
Cost Estimate: \$37,500.

The costs for the above referenced remediation services will not exceed \$118,170.

HAZARDOUS WASTE MANAGEMENT SERVICES:

Environmental Operations, Inc. will conduct hazardous waste management and disposal services at the Bi-State site. The scope of work is as follows:

Removal Action Scope of Work

- Develop site health and safety plan.
- Disconnect and remove electrical transformers.
- Mechanical rigging method.
- Collect discreet samples.
- Load, transport and dispose according to Federal, state and local regulations.

Sumps and Pits

- Clean maintenance pits by removing sludge and debris. Pressure wash with "Quick Break" detergent, containerize sludge, debris and rinsate. Characterize for disposal. Load, transport and dispose of according to Federal, state and local regulations.
- Fire Extinguishers
- Tires
- Automobile fuel tankers
- Soil cuttings

Drums and Miscellaneous Containers

- Relocate containers into staging area and collect representative samples to analyze for disposal characterization. Consolidate homogeneous material, repackaging as necessary. Load, transport and dispose according to Federal, state and local regulation.

Debris Piles

- Segregate debris using mechanical methods. Stage drums, containers etc. in shipping area referenced above. Load, transport and dispose of contaminated debris.

The costs for the above referenced hazardous waste management and disposal services will not exceed \$33,000.

EXHIBIT "D"

PAYMENT TERMS

Environmental Operations, Inc. will be paid in advance for billings projected for a thirty (30) day period. Site activities will be initiated within one week upon receipt of the payment. Invoices, based on updated projections and adjustments from prior work completed and funds received, will be submitted on a monthly basis.

If 39th & Park, L.L.C. chooses to have another environmental firm conduct site related activities, all work will be conducted under Environmental Operations, Inc.'s direction and oversight. Oversight activities will be billed to Client according to the attached billing schedules. If remedial work conducted to date has a retail value of less than \$400,000, a buy out of the option agreement will be completed according to the following schedule:

For every \$100,000 of work out of the anticipated \$400,000 that is not performed by Company, except if such non-performance arises out of a breach hereof by Company, Company will receive \$30,000 in cash. This payment will be prorated if \$400,000 of billings are not generated by 39th & Park, L.L.C. by the fraction of the difference between the amount actually spent and \$400,000 over the 24-month period.

Confirmation Report-Memory Send

Time : Mar-08-99 04:44pm
Tel line 1 : 9135517925
Name : US EPA REGION7

Job number : 213
Date : Mar-08 04:42pm
To : 82025650044
Document Pages : 04
Start time : Mar-08 04:43pm
End time : Mar-08 04:44pm
Pages sent : 04

Job number : 213

*** SEND SUCCESSFUL ***



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION VII
OFFICE OF REGIONAL COUNSEL
726 MINNESOTA AVENUE
KANSAS CITY, KANSAS 66101

TO: The Hon. William B. Moran
Administrative Law Judge
202.565.0044

DATE: March 8, 1999

NO. OF PAGES: 4, including this cover

MESSAGE: Dear Judge Moran:

Attached is a Motion for Continuance to File the Prehearing Exchange materials in The Matter of Iowa Steel, VII-97-H-0016 filed on March 8, 1999.

Phillip S. Page *Phillip S. Page*

FROM: Phillip S. Page, Esq.
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency
726 Minnesota Avenue
Kansas City, Kansas 66101

Sender's Direct Dial Telephone Number: (913) 551-7580
Sender's FAX Number: (913) 551-7925

CONFIDENTIALITY NOTE

The information contained in this facsimile may be confidential or legally privileged. If you are not the individual named above as the intended recipient of this facsimile, please notify the sender immediately by calling (913) 551-7580 or (913) 551-7010.